



By Representative Schmick

PSHB 1140 - H COMM AMD (TO H-1762.2/23)

By Committee on Appropriations

1 On page 356, line 14, increase the general fund--state
2 appropriation for fiscal year 2024 by \$50,000,000

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4 On page 356, line 29, decrease the coronavirus state fiscal
5 recovery fund--federal appropriation by \$50,000,000

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7 On page 356, line 20, increase the climate commitment account--
8 state appropriation by \$500,000

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10 On page 356, line 30, correct the total.

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12 On page 356, line 33, after "(1)" strike all material through
13 "appropriation" on line 35 and insert "\$44,499,000 of the general
14 fund--state appropriation for fiscal year 2024 and \$22,000,000 of the
15 general fund--state appropriation for fiscal year 2025"

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17 On page 357, line 9, after "(4)" strike all material through
18 "\$15,000,000" on line 10 and insert "\$5,501,000 of the general fund--
19 state appropriation for fiscal year 2024, \$15,000,000 of the general
20 fund--state appropriation for fiscal year 2025, and \$9,499,000"

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22 On page 359, after line 38, insert the following:
23 "(22) \$500,000 of the climate commitment account--state
24 appropriation is provided solely for the department to contract with a
25 neutral, third-party facilitator to convene an advisory process, and a
26 subject-matter expert consultant to support the advisory process. The
27 purpose of the advisory process is to make recommendations to the

1 legislature to identify a logistically practicable long-term process
2 to ensure that consumers of fuel exempt from compliance obligations
3 under chapter 70A.65 RCW are exempt, in practice, from paying for the
4 costs embedded in exempt fuel prices that are reasonably attributable
5 to or correlated with climate commitment act allowance prices. The
6 facilitator must engage relevant stakeholders in the advisory process
7 that have a direct interest in participating, including but not
8 limited to representatives of fuel suppliers, fuel distributors, an
9 association who represents fuel suppliers, an association who
10 represents fuel distributors, exempt fuel users, organizations
11 representing agricultural interests, associations of agricultural
12 product distributors and retailers, and environmental organizations.
13 Representatives of the department of ecology, department of licensing,
14 department of revenue, and the department must also be invited to
15 participate in the facilitated advisory process under this subsection.
16 The facilitator must submit the recommendations of advisory process
17 participants, including recommendations not supported by a majority of
18 advisory process participants, by December 1, 2023."

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20 On page 361, after line 24, insert the following:

21 "Coronavirus State Fiscal Recovery Fund--Federal Appropriation...
22 \$50,000,000"

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24 On page 361, line 25, correct the total.

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26 On page 363, after line 3, insert the following:

27 "(7) \$50,000,000 of the coronavirus state fiscal recovery fund--
28 federal appropriation is provided solely for the department to
29 implement a farm fuel program for users of exempt fuel specified in
30 RCW 70A.65.080(7)(e) to implement the exemption in chapter 70A.65 RCW
31 for the use of fuel used exclusively for agricultural purposes by a
32 farm fuel user. The department must implement the farm fuel program
33 in a manner consistent with the implementation of refunds provided for
34 exemptions under chapter 82.38 RCW. The department may retain up to

1 five percent of the money appropriated under this subsection for
2 purposes of implementing this program. Payments provided under this
3 section must be paid at a rate of forty-nine cents per gallon of
4 exempt special fuel, and at a rate of forty-one cents per gallon for
5 motor vehicle fuel. The department must pay claims by farm fuel users
6 for fuel that is purchased on or after January 1, 2023, and used for
7 an exempt purpose as specified in RCW 70A.65.080(7)(e). The department
8 may adopt procedures to ensure that payments are made only for claims
9 related to the use of farm fuel that has not been treated as exempt
10 under chapter 70A.65 RCW by suppliers in possession of the fuel prior
11 to the purchase of the fuel by the farm fuel user."

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EFFECT: Provides \$0.5M to the Department of Agriculture (WSDA) to contract for an advisory process to make recommendations to ensure consumers of fuel exempt from compliance obligations under the Climate Commitment Act (CCA) are exempt, in practice, from paying fuel costs reasonably attributed to the CCA. Replaces \$50.0M of Coronavirus State Fiscal Recovery Fund (CSFRF) for the We Feed Washington program and Emergency Food Assistance Program at WSDA with \$50.0M General Fund-State. Provides \$50.0M CSFRF to the Department of Licensing for a farm fuel program to implement the exemption for agricultural fuel under the CCA, and specifies payment rates of \$0.49/gallon for exempt special fuel and \$0.41/gallon for motor vehicle fuel.

FISCAL IMPACT:

Increases General Fund - State by \$50,000,000. Increases Climate Commitment Account by \$500,000.

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